Slow growth industrial sector

1418. SHRI MURLIDHAR CHANDRAKANT BHANDARE : Will the PRIME MINISTER be pleased to state :

(a) whether the industrial sector is still sufferings from recessionery conditions ;

(b) what is the average growth of industrial sector during April—December, 1993 ;

(c) how does it compare with the corresponding period of 1992 ;

(d) what are the reasons for recessionaries trends in capital and basic goods industries; and

(e) what steps have been taken to accelerate growth in these sectors of the industry ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) to (c) As per the latest available estimates of Index of Industrial Production released by CSO, the industrial sector has shown a growth of 1.6 % during April—October, 1993 compared to a growth of 4.0% during the correspond ing period of 1992.

(d) The basic goods industries have recorded a rate of growth of 3.0% during April—October, 1993-94. The decline if the capital goods sector has been due to high rates of interest and the inherent adjustment lags in the process of industrial restucturing.

(e) The policy initiatives taken by the Government since July, 1991 are aimed at accelerating overall industrial production including the capital and basic goods industries. Further measurs proposed in the Union Budget 1994-95 which include reduction of the customs duty on inputs, introduction of cuntervailing duty on imports to help domestic production, extension of Modvat to capital goods, reduction in minimum lending rates on commercial advances are expected to accelerate industrial production.

Autonomy to PUSs

1419. SHRI MOHAMMED AMIN : Will the PRIME MINISTER be pleased to state :

(a) whether Government have decided to allow autonomy to public sector undertaking; and

(b) if so, what are the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) and (b) The Government decision to allow greater degree of management autohomy and other details have already been announced in the Industrial Policy Statement of July, 1991.

1420. [*Trsnsferred to 8th April*, 1994.]

Proposal to Allow Decision—Making System in P.S.Us.

1421. MISS SAROJ KHAPARDE : Will the PRIME MINISTER be pleased to state :

(a) whether Government propose to allow the commercial public sector undertakings to develop their own decision-making system to enable them to compete with the private sector;

(b) if so, the details thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) to (c) Under the Articles of Association of a PSU, the powers are delineated between the board of directors and the President. The board of directors enjoy substantial operational autonomy. Further, some powers of the President have been delegated to the board of directors of PSUs in general and enhanced powers to MOU signing PSUs in particular. The MOU signing PSUs having gross block of over Rs. 200 cores have the power to incur expenditure on additions, modifications and new investments upto Rs. 50 crores without prior approval of the Government and the power to incur expenditure on replacement and renewal of assets upto Rs. 100 crores subject to certain conditions. Delegation of powers is a continuous and dynamic process and is reviewed periodically to ensure that bottlenecks, if any, in the commercial functioning of PSUs are elimainated.

Higher production by P.S.Us under Department of Heavy Industry

1422. MISS SAROJ KAHPARDE : Will the PRIME MINISTER be pleased to state:

(a) Whether it is a fact that fortyeight manufacturing P.S.Us under the Department of Heavy Industry have achieved higher productiod in December, 1993;

(b) if so, the details thereof ; and